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*Schiffahrtsgaben*. 2 Teil: Die wirtschaftliche Lage. 3 Teil: Die verkehrspolitische Lage: By MAX PETERS. Schriften des Vereins für Socialpolitik. (Leipzig: Duncker und Humblot, 1908. Pp. viii, 340. 7.60 m.)

The economics and the commercial policy of tolls on navigation are dealt with in this treatise. The work is distinguished by keenness of logic and a first-hand knowledge of details. Coming fresh from a conflict of interests and policies, some form of which bids fair to arise in this country, it possesses great interest to students of transportation.

The essential feature of tolls is the fact that they are duties (Gebühren). Two classes may be distinguished: (1) those which are paid for the use of waterways, harbors, and facilities for loading and unloading; (2) payments indirectly connected with navigation, and resting upon the cargo. The former are almost exclusively the subject of the book.

The economic basis for the writer's thesis appears in the second chapter. Here we are told that the treatment of an instrument of commerce as a free consumers' good—the community principle—is justifiable only when the people share the benefits with approximately as much equality and generality as they do the tax burdens. To make this possible there must be an equal extension of waterways throughout the territory, a certain equality in the economic interests of the people, and an identity of owners or undertakers and those taxed. As these conditions do not exist, the industrial principle (Erwerbsprinzip) according to which services are compensated is advocated. In practice the two principles are often combined as is the case in the Prussian act of 1905.

Waterways are compared with railways as to finances and tolls, and the question of the economic justification for tolls is taken up. Waterways may be used for private profit. How then, under public ownership, can the state be denied this source of revenue? The social significance of tolls lies chiefly in the abolition of the advantage which those who live on a free waterway have over those who live on one where tolls are levied.

The advantages of coördinating and applying the same rate-making principles are dwelt upon. To the objection that small carriers would be injured Peters replies that this might be true

temporarily as the result of a decrease in traffic, but would probably not be a permanent effect. Moreover, he denies that a tendency toward increased fluctuation in rates would follow the introduction of tolls. He admits that the distance factor would probably play a greater part.

The question as to who will bear the toll is taken up at some length,—though not very satisfactorily. Generally it must be the consumer.

In levying the tolls on the quid pro quo plan the size of the boat and length of the waterway are recommended as bases; the former as being an index of the character of the waterway, the latter as indicating the benefit to the people. Other factors such as faculty, direction of traffic, political considerations, etc., are mentioned.

The book is not entirely free from the faults of a work produced in such an atmosphere of polemics. At points one feels that a quotation from some official utterance instead of reason is made to serve. Some conclusions are rather sweeping. For example the author seems a little too optimistic concerning the ability of communities to so adjust tolls as to leave always a surplus of benefit over the cost of the improvement (p. 112). In connection with this particular matter his denial of significance to the point that there can be no clear relation between cost of improvements and compensation through tolls—"no clearly recognizable compensation (Gegenleistung)"—seems a bit cavalier.

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*The Banking and Currency Problem in the United States.* By VICTOR MORAWETZ. (New York: North American Review Publishing Company, 1909. Pp. 119. \$1 net.)

Mr Morawetz's little volume is a discussion of the problem how to establish a central agency for the control of uncovered bank note currency without creating a central bank vested with a note monopoly. In order to afford a background for this discussion, the author finds it "desirable . . . to state and explain briefly some . . . elementary principles." Owing to the desire to make clear such principles he therefore undertakes to write a small text on some phases of banking, paying special